



# Development Agreement Review & Performance Audit

April 10, 2012

Pat Walker & Andrew Rheem, Red Oak Team  
Sandy Cronstrom, CliftonLarsonAllen

# Consultant Project Team

- “Red Oak Team”
  - Pat Walker Consulting LLC
    - Pat Walker
  - Red Oak Consulting
    - Andrew Rheem
    - Rick Giardina
- CliftonLarsonAllen
  - Sandy Cronstrom, Karen Lyzinski & Carter Smitherman



# Project Objectives

Identify potential issues with development agreements

Internal process review for development impact and permit fees

Determine financial requirements

Report and Recommendations

# Study Areas

- 1. Development agreements review***
- 2. Development impact fee (DIF) expenditure review***
- 3. Permit and process review***

# Project Approach

1. Identify project team


2. Roles and responsibilities

3. City permit and development  
impact fee process

4. Technology for permit and financial  
systems

# Project Approach

## Initial Meeting

- 
- FY 2000 start of project
  - Collaboration of project team

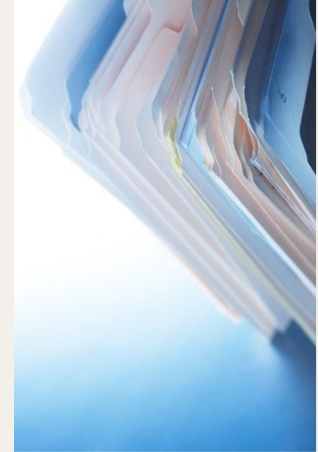
- Schedules
- Data Requirements

- Communication plan
- Outcomes to move forward

# Red Oak Team

## Development Agreement Review

- Identify information for each development agreement
  - ✓ Facilities required
  - ✓ Development impact fee credits and reimbursements
  - ✓ Additional financial responsibilities



# Red Oak Team

## Development Agreement Review

- Reconciliation
  - Constructed and dedicated facilities
  - DIF credits redeemed
  - DIF reimbursements

Date	Amount
10/20	\$ 738.97
10/21	526.82
10/22	590.53
10/23	524.21
10/26	362.24
10/27	308.42



# Red Oak Team

## Development Impact Fee Expenditure Review

- Expenditures prior to FY 2007
- Adopted fee schedules
- Studies and facilities included
  - State statute requirements
- Reconcile DIF studies against expenditures

# CliftonLarsonAllen Team



Review the systems & processes used to assess, track, and collect development impact fees.



Sample and test that building permits were charged the correct development impact fees based on the City's regulations.

# CliftonLarsonAllen Team



Verify that the sample of assessed development impact fees were collected by the City.



Verify that the sample of assessed development impact fees were accounted for in the appropriate fund.

# Summary

- Another Step towards Financial Resiliency
- Development agreement summary
  - Completed and future requirements
- Financial impact of review
  - Internal process review
  - Historical expenditures
  - Proposal of adjustments
- Report and recommendations



# Questions

